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# STATE OF ARIZONA

OCT 8 1996

#### DEPARTMENT OF INSURANCE

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In the Matter of:

VERNON RAYMOND WEDGE,

Respondent.

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Docket No. 96A-118

**ORDER** 

On September 12, 1996, the Office of Administrative Hearings, through Administrative Law Judge Richard N. Blair submitted a "Recommended Decision of Administrative Law Judge", a copy of which is attached and incorporated by this reference. The Director of the Arizona Department of Insurance has reviewed the recommendation, and enters the following order:

- a. The recommended findings of fact and conclusions of law are adopted.
- b. The recommended order is vacated and in its place, the following order is entered:

#### It is ordered that:

- 1. In view of the finding that the suspension of the license issued to Vernon Raymond Wedge, license number 0122806, would create an extreme hardship to either the licensee or to person who the licensee serves, in lieu of suspension, Mr. Wedge shall be placed on probation for two years from the date of this order.
- 2. As a condition of this order of probation, the license held by Mr. Wedge shall be suspended automatically if, by the 15th day of each month following the issuance of this order, the Department has not received from Mr. Wedge proof of full compliance with the court order which

referred this matter to the Department, or of any court imposed modification of that order. For purposes 1 of this provision, "proof of full compliance with the court order" means a certified copy of a receipt or 2 other proof of payment issued by the court that documents Mr. Wedge's compliance with the court order 3 which referred this matter to the Department. The "proof of full compliance with the court order" shall 4 5 be sent to the following address: Maureen Catalioto 6 Licensing Division 7 Arizona Department of Insurance 2910 N. 44th St., Suite 210 Phoenix, Arizona 85018 8 **NOTIFICATION OF RIGHTS** 9 The aggrieved party may request a rehearing with respect to this Order by filing a written 10 petition with the Office of Administrative Hearings within 30 days of the date of this Order, setting forth 11 12 the basis for such relief pursuant to A.A.C. R20-6-114(B). The final decision of the Director may be appealed to the Superior Court of Maricopal 13 County for judicial review pursuant to A.R.S. § 20-166. 14 day of October, 1996. 15 16 17

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John King Director of Insurance

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1	A copy of the foregoing mailed this 54h day of October, 1996
2	•
3	Charles R. Cohen, Deputy Director Catherine O'Neil, Assistant Director Mary Butterfield, Assistant Director
4	Scott Greenberg, Business Manager Maureen Catalioto, Supervisor
5	Department of Insurance 2910 North 44th Street, Suite 210
6	Phoenix, AZ 85018
7	Office of Administrative Hearings 1700 West Washington, Suite 602
8	Phoenix, AZ 85007
9	Michael J. De La Cruz
10	Assistant Attorney General 1275 West Washington Phoenix, AZ 85012
11	
12	Vernon R. Wedge 8501 East Sage Drive Scottsdale, AZ 85250-6741
13	
14	The Honorable Douglas Mitchell Judge of Pima County Superior Court 110 West Congress
15	Tucson, AZ 85701
16	Rochelle Abell, Esq. Pima County Attorney
17	Family Support Unit 32 North Stone, Suite 1400
18	Tucson, AZ 85701-1412
19	James N. Corbett, Clerk of Court Pima County Superior Court
20	Child Support Unit
21	110 West Congress Tucson, AZ 85701
22	Roseman Padilla
23	The state of the s

## IN THE OFFICE OF ADMINISTRATIVE HEARINGS

In the Matter of:

VERNON RAYMOND WEDGE,

Respondent

No. 96A-118-INS RECOMMENDED DECISION OF ADMINISTRATIVE **LAW JUDGE** 

HEARING:

September 10, 1996

APPEARANCES: Assistant Attorney General Michael J. De La Cruz on behalf

of the Arizona Department of Insurance; and

Vernon Raymond Wedge, Respondent.

ADMINISTRATIVE LAW JUDGE: Richard N. Blair

Based upon the entire record, the following recommended Findings of Fact, Conclusions of Law, and Recommended Order are made:

#### FINDINGS OF FACT

- On August 31, 1995, the Arizona Department of Insurance (the 1. "Department") issued Vernon Raymond Wedge ("Respondent") a life, disability and variable annuity insurance agent's license, License No, 0122806. That license expires on August 31, 1997.
- On May 22, 1996, the Pima County Superior Court entered a Judgment 2. against Respondent and in favor of Janet Victoria Wedge in In Re The Marriage Of: Vernon Raymond Wedge and Janet Victoria Wedge, Case No. D-56587 ("Case No. D-56587"), in the amount of \$5,590.74 for child support arrearages owed through May 22, 1996. The Court further ordered the Department to conduct a hearing in accordance with A.R.S. §§ 25-320(J) and 32-3701 to consider the issue of suspending the Respondent's insurance agent license.

Office of Administrative Hearings 1700 West Washington, Suite 602 Phoenix, Arizona 85007 (602) 542-9826

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- 3. The evidence established that the Respondent is the same individual against whom the Court entered judgment for child support arrearages in Case No. D-56587 as described above in paragraphs 2.
- 4. It is undisputed that as of the date of the hearing the Respondent had not paid the \$5,590.74 child support arrearage.
- 5. Pursuant to A.R.S. § 32-3701(B), a licensee may be placed on probation if the suspension of the license would create an extreme hardship.
- 6. Respondent credibly testified that since 1980 his sole source of income has been as a self-employed insurance agent. Respondent has two minor children with his current spouse and two children from a previous marriage. According to the Respondent, the suspension of his insurance license would stop him from practicing his profession, eliminate his sole means of support, and deprive him of the means to satisfy the child support arrearage, therefore creating an extreme hardship to the Respondent and his family.

### CONCLUSIONS OF LAW

- 1. The Director has jurisdiction to hear this matter.
- 2. Pursuant to A.R.S. § 25-320(J) the Department was directed by the Pima County Superior Court to conduct a hearing to determine whether to suspend Respondent's insurance license.
- 3. Pursuant to A.R.S. § 32-3701 the Department shall suspend the license of any insurance licensee or, in lieu of suspension and upon a finding of extreme hardship, the Director may place the licensee's license on probation, if the licensee is in arrears for the payment of child support.
- 4. Respondent has established by a preponderance of the evidence that the suspension of his insurance agent license would create an extreme hardship.

# RECOMMENDED ORDER

In view of the foregoing, it is recommended that the insurance agent license of Vernon Raymond Wedge, License No. 0122806, be placed on probation for a period not to exceed two years in accordance with the conditions set forth in A.R.S. § 32-3701.

Done this day, September 12, 1996.

OFFICE OF ADMINISTRATIVE HEARINGS

Richard N. Blair

Administrative Law Judge

Original

Copy transmitted by mail

Department of Insurance ATTN: Curvey Burton

Phoenix, AZ 85018-7256

2910 North 44th Street, #210

September 17, 1996

; to

John King, Director